



## Statewide Small Business Council Meeting Minutes – June 20, 2008

Woodland Training Center  
624 N. East Street  
Woodland, CA 95776  
Telephone: (530) 662-0256

### Statewide Council Members Present

Camacho, Julian	HCA	
Calderon, Josie	MABPA	(Alternate)
Carrera, Angel	DGS	
Chaudhary, Arvin	CELSOC	
Chavez, Floyd	NCLBA	
Garcia, Rodrigo	SHPE	
Gonzalez, Michael	OSBA	(Alternate)
Guerrero, Paul	CAL-SBE	
Hou, Johnathan	ABA	
James, John	NAMC, So. CA	(Alternate)
Johnson, Bernard	BCA	
Jordan, Fred	SFBCC	
LaCome, Diana	NCA	
Lau, Eddy	AAAE, SFO	
Llewellyn, Rebecca	WCOE	
Molina, Jim	SJCHCC	(Alternate)
Patten, Ezekiel	BBA	
Ramirez, Frank	CM	(Alternate)
Tirney, Joel	SDVOB	(Alternate)
Watts, Sabrina	CAL-SBE	(Alternate)
Yang, William	AAAE, So. CA	

### Caltrans Staff Present

Iwasaki, Randell H.	Chief Deputy Director
Fonseca, Olivia	Civil Rights
Alvidrez, Tiffani	Civil Rights
Berman, Laurie	District 11
DeWatney, Bonnie	Civil Rights
Edwards, Cathleen	Civil Rights
Effinger, Robert	Construction
Galia, Cris	DPAC
Gastinell, Sherri	Civil Rights
Jackson, Otis	District 7
Kuhl, Kris	Engineering
Leja, Mark	Construction
Pokrajac, Kevin	Local Assistance
Robertson, Deborah	District 7
Sartipi, Bijan	District 4
Smelser, Jan	DPAC
Tritt, Raymond	Design

### Guests Present

Athalye, Ashok	Self
Brewer, Brianna	HDR
Cunningham, Lee	Bay Tank
Hussain, Sajjad	S&T Engineering Inc.
Masoeo, Dan	PB
Martinez, Tim	Self
Tess C. Perez	S&T Engineering Inc.
Roessler, Mike	CCCEWD
Wong, Samson	SBTRC

## **ITEM 1 – Welcome/Introduction/Opening Remarks**

Olivia Fonseca, Deputy Director, Civil Rights, California Department of Transportation (Caltrans)/Statewide Small Business Council (SBC) Chair called the meeting to order at 9:10 a.m. Chair Fonseca welcomed Statewide Small Business (SB) councilmembers, Caltrans staff, and guests; all were asked to introduce themselves.

Randell H. Iwasaki, Chief Deputy Director, Caltrans updated councilmembers on the *Fix I-5 Project*. Caltrans is still waiting for approval from the Federal Highway Administration (FHWA) on the Disadvantaged Business Enterprise (DBE) Goals and Methodology (GM).

Councilmember Camacho asked what would be the projected approval date, targeted percentage for the DBE GM implementation, and if public hearings had been conducted. Chief Deputy Director Iwasaki indicated we have no projection on the approval date; Chair Fonseca stated 20 public sessions were conducted in 2007. Councilmember Guerrero mentioned the statistical data gathered showed the need for the increase in percentage and that testimony brings life to the data. Councilmember Garcia mentioned a track record is necessary to show small businesses (SB)/DBEs that there is hope.

### ***ACTION***

Councilmember Camacho asked for a clarification on the Disparity Study data.

Councilmembers asked for clarification on the rumor that the new budget will affect all future projects. Chief Deputy Director Iwasaki noted there is always a concern when the Budget approval is delayed, but assured councilmembers there is no plan to stop current projects. Current projects were funded with prior year funds and progress payments will be issued as normal. Kris Kuhl, Chief, Office of Contract Awards and Services stated Caltrans will continue to advertise construction projects; however—pending the budget passage—the notice to proceed may be delayed.

## **ITEM 2 – Approval of Meeting Minutes - May16, 2008**

Motion: Councilmember Yang

Second: Councilmember Lau with a correction.

Ajise Kome was listed twice on “Caltrans Staff Present”.

Approved by consensus.

## **ITEM 3 –Mark Leja, Chief, Division of Construction**

Mr. Leja gave a *PowerPoint* presentation on the Division of Construction roles and responsibilities. See handout for specifics to the presentation. Construction contract work—past, present, future—was highlighted.

### ***ACTION***

Mr. Leja asked that SBC members send *Success Stories* to the Division of Construction.

### ***ACTION***

Councilmember Jordan requested that external business be permitted to attend Resident Engineer (RE) Certification classes.

### **ACTION**

Councilmember Jordan asked that the Metropolitan Transit Authority (MTA) be invited to discuss their commitment to DBE participation on the upcoming Design Build project. Ms. Deborah Robertson, Deputy Director, District 7 (Los Angeles), Internal Affairs—attending for District 7 Director Doug Failing—said that MTA staff would be invited to attend the Stockton meeting to do a presentation on the design build project.

### **ACTION**

Kevin Pokrajac, Local Assistance informed councilmembers that 3-4 day RE Academies are open to all and will provide the RE academy information to the councilmembers.

Angel Carerra, Business Development Program Manager, Department of General Services asked if Caltrans is in compliance with contract conditions identified in AB 761; answer was yes.

Councilmember Chaudhary asked if the Proposition 1B Award Tracker was able to track SB participation on I-Bond funded projects; yes, refer to the handout provided in the meeting packet.

Councilmember Camacho asked whose responsibility it was for preparing contract packages, who decides how the project will be bundled, and was it possible to break down projects for greater SB/DBE participation? Chair Fonseca informed all that on Tuesday, June 17, 2008, SBC members met with Pedro Orso-Delgado, District 11 (San Diego) Director to address their SB/DBE attainment on major construction contracts and the questions Councilmember Camacho was asking were also posed to District 11. Bijan Sartipi, District 4 (Oakland) Director spoke to the innovative approach he uses in District 4:

- Large contracts are looked at to potentially break down into smaller units and/or multiple contracts in order to accommodate greater SB participation.
- Material inspections service contracts are broken down into multiple contracts.
- There are a number of District 4 councilmembers who provide input into breaking down contracts and setting the SB goal.
- SBs are targeted for Minor B contracts.
- Quarterly Construction Outreach events are held to induce networking and to provide look ahead project schedules.
- The Office of Engineers is asked how contracts are progressing.

Councilmember Camacho asked what the DBE percentage was in contract/professional services. Mr. Sartipi indicated his District is achieving 15 percent DBE participation on professional services contracts. Councilmember Lau indicated, as a member of District 4 SBC, he and others are very involved in providing input on the contract size and goals. Councilmember Lau indicated—on the construction side—the breakdown of the contract has to occur at project conception, not when the project is sent to the Office of Engineers, because then it is too late to change the contract at that point; Mr. Sartipi agreed.

### **ACTION**

Councilmember Guerrero mentioned there were two DBEs in District 4 for the Bay Bridge Project who did not receive prompt payment and requested that it be researched to find out if the RE is signing the progress payment on a timely basis.

***ACTION***

District Directors should remind staff that Caltrans has SB/DBE/Disabled Veteran Business Enterprise (DVBE) goals that need to be met. Suggest that each District Director submit a checklist indicating the project was considered for methods to maximize SB/DBE/DVBE participation.

***ACTION***

Chair Fonseca to ask Director Kempton to have a performance measure for District Directors to insure they have maximized SB opportunities in their proposed contracts.

***ACTION***

Councilmembers requested a copy of Mr. Leja's *PowerPoint* presentation.

Councilmember Lau asked why Caltrans now requires a copy of the entire contract insurance policy. Mr. Leja stated Caltrans has entered into a new criteria—Pre-Approval Insurance. Previously, contractors were required to submit entire policies for each contract on which they bid. Now, the contractor is required to submit its entire insurance policy once. Policy approvals will be given for one year and when approved, the contractor will not need to submit additional copies for future contracts.

**ITEM 4 – “Look Ahead” Web Page/Links Presentation**

**Ray Tritt, Chief, Office of Special Projects**

**Kris Kuhl, Chief, Office of Contract Awards and Services**

Mr. Kuhl/Mr. Tritt gave a *PowerPoint* presentation on new tools to help find construction contracts on the Caltrans Office of Engineering (OE) Website. The Look Ahead Website provides: project-specific detail by location, size, work, and 12 month schedule and will be updated as needed. Refer to handouts for details. Website address is <http://dot.ca.gov/hq/esc/projects/lookahead/index.php>.

***ACTION***

Chair Fonseca encouraged councilmembers and its members to register on the Website so they can be notified when a contract is ready for bid. Copies of the *PowerPoint* will be sent to councilmembers.

***ACTION***

Councilmember Guerrero asked that the Look Ahead Report Website break down the contract dollar size column choices to begin at \$0 -2.5 million. He also asked that there be an “Other Information” tab that would identify the DBE/ DVBE/SB goals.

Councilmember James, along with other councilmembers congratulated Caltrans on the Look Ahead Report; the Website is a really good tool and asked Mr. Tritt and Mr. Kuhl to return in the future.

***ACTION***

Schedule Mr. Tritt, Mr. Kuhl to return in the future.

**ITEM 5 – District/Governor’s Office/Civil Rights Updates**

In an effort to keep with the meeting time frame, it was agreed to forgo district updates.

## **ITEM 6 – Statewide Committee Reports**

Committees met the night before and discussed 2008 Action Items; refer to the individual Committee Action Item listing handout for the updates. New Committee action items are listed below.

### **Construction – Councilmember Llewellyn, Chair**

Councilmember Llewellyn mentioned they will be reviewing the challenges the price of fuel has on construction costs. Councilmember LaCome noted—location specific—Southern California SB truckers are challenged in obtaining work because truck brokers shop the work and pull in truckers from outside the construction location. This is a serious concern in the Los Angeles area for SBs/DBEs.

Mr. Otis Jackson, Chief, Office of Governmental and Legislative Affairs made note that when councilmembers talk to truckers, they need to encourage the truckers to become a part of their local SBC. Councilmember Jordan stated councilmembers need to get out to those in their areas, that the SBC cannot expect Caltrans to “carry the water,” SBC members need to get people to come to the meetings. Councilmember Camacho indicated after meeting with District 11 District Director, he prepared questions; those questions were provided as handouts.

#### ***ACTION***

Councilmember Garcia asked that Councilmember Camacho’s question handout be emailed to all councilmembers.

#### ***ACTION***

Councilmembers Guerrero and Camacho asked that there be District SBC representation at the Statewide SBC meetings.

### **Legislative – Councilmember Guerrero, Chair**

Councilmember Guerrero provided information on Legislative bills.

### **Supportive Services – Rodrigo Garcia, Chair**

Councilmember Garcia stated the Supportive Services Committee will meet quarterly.

Mr. Mike Roessler will be gathering information on success stories, to encourage more non-certified DBEs to become certified, participate in the bid process, and be awarded contracts.

## **ITEM 7 – Public Comment/Good of the Order**

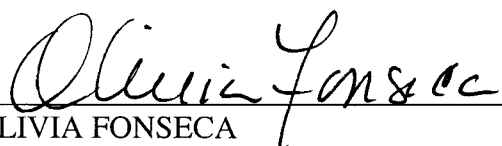
1. Councilmember Lau recognized Jan Smelser, Chief, Division of Procurement and Contracts and her staff for the valuable participation on the Professional Committee.
2. Chair Fonseca once again mentioned that the bulk of the work is done during committee meetings held the night before the full Statewide SBC meeting and councilmembers need to attend these meetings. Councilmembers were reminded that missing three Statewide SBC meetings constitutes removal from the Statewide SBC; if councilmembers miss three Committee meetings, they may be removed from the Statewide SBC membership—this was meant to be both an encouragement and reminder.
3. July 17, 2008, all committees will convene at Councilmember Guerrero’s home. Director Kempton and Chief Deputy Director Iwasaki will be present. Councilmember Guerrero announced the committee meetings could begin as early as 2:30 p.m.

4. June 26, 2008, Rosario Marin, State and Consumer Services Agency Secretary will be a presenter at the Latin Business Association meeting, to be held at the Biltmore Hotel in Los Angeles, from 6:00 - 8:00 p.m.
5. Councilmember Ramirez made note of a success story about a disabled veteran business that was referred by Chief Deputy Director Iwasaki to Sabrina Watts, AGC. The business will be in a mentoring role with a major construction company.

**Meeting adjourned:** 12:17 p.m.

**Next meeting:** July 18, 2008  
San Joaquin Delta College Small Business Development Center  
56 S. Lincoln Street  
Stockton, CA

**Approved by:**



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OLIVIA FONSECA  
Deputy Director  
Civil Rights  
California Department of Transportation